United States Senate Washington, DC 20510

United States House of Representatives Washington, DC 20515

June 10th, 2021

Re: Relief for America's Small Farmers Act

Dear Senators and Representatives:

The undersigned 102 farm, food, rural, community, consumer, faith and other advocacy organizations wholeheartedly endorse the Relief for America's Small Farmers Act, re-introduced by Rep. Sean Maloney (HB: XXXX) and Sen. Gillibrand (SB: XXXX) in June, 2021 and urge you to cosponsor this critical bill and support its inclusion in any future legislative package.

As the United States grapples with a second year of the COVID-19 crisis, farmers and ranchers are continuing to endure major disruptions to their markets and farm operations, as thousands of local markets, including schools and restaurants, remain closed or operating at significantly reduced capacity to protect the health of workers and the general public. And there is no clear timetable for a 'return to normal.'

While all farmers are affected by the COVID 19, small family farmers already operating on thin margins are most at risk of losing their farms, homes and land from the financial free fall caused by this pandemic, further harming the rural economies and the communities they call home. We have already seen too much economic suffering, and too many farms lost, emphasizing the urgent need for decisive action from Congress and targeted support by federal agencies.

These challenges come at a catastrophically difficult period for family farmers. For more than seven years, farmers and ranchers of all kinds have received prices consistently below their cost of production, which have driven historically high levels of farm debt and farm foreclosure: USDA has reported total farm sector debt increased 1.6 billion over the past year to \$441.7 billion¹, and the U.S. has lost loss more than 81,000 farms since 2013². Over this same period, producers in various regions of the country endured increasingly intense and frequent natural disasters, such as the historic flooding throughout the Midwest in 2019, devastating hurricanes in the Southeast in 2020, and annually recurring wildfires across the West Coast. Furthermore, we have seen that USDA's implementation of CFAP in 2020 left out droves of producers, particularly smaller-scale and diversified operations, many of whom now face unprecedented economic crisis due to circumstances entirely outside their control.

Prior to the pandemic, projected median farm income for 2020 was negative \$1,840 with most farms relying on off-farm sources of income to support household finances and to secure benefits like healthcare coverage. This year, with federal direct payments to the agriculture sector expected

¹ https://www.ers.usda.gov/topics/farm-economy/farm-sector-income-finances/assets-debt-and-wealth/

² https://www.nass.usda.gov/Publications/Todays_Reports/reports/fnlo0221.pdf

to decrease, USDA is forecasting that net farm incomes too will fall. Thus while farm foreclosures have been stalled by USDA over the past year, the fundamental economic stress experienced by small farmers has not gone away, and the continued urgency of this moment cannot be stressed enough. Small family farmers are the backbone of our food system and rural economies, and they need our support in this moment of unprecedented hardship, especially while they galvanize to feed their communities. We cannot afford to lose a single additional farm.

The Relief for America's Small Farmers Act would provide direct debt relief for small farmers around the country by providing a one-time loan forgiveness of up to \$250,000 across three types of USDA FSA loans: Direct Operating, Direct Farm Ownership, and Emergency Loans. Eligible farmers must have an average AGI of \$300,000 or less over the previous 5 years, regardless of what they grow. Forgiveness of federally held debt is an important tool for directly assisting these farmers, most of whom have not benefited from prior farmer relief programs. While USDA has taken steps during the pandemic to set aside loan payments or suspend some adverse actions, these measures delay damage but cannot actually solve the multi-year crisis for most small farmers. Furthermore, forgiving these FSA loans allows farmers to redirect financial resources to other farm and household debts, such as private loans and credit cards.

On March 10th, 2021 Congress passed the American Rescue Plan, which included \$4 billion of direct debt forgiveness to farmers of color due to the history of systemic racism in USDA. We believe this legislation set an important precedent for the Biden Administration's USDA to act on forgiving farmer debt during this continuing and unparalleled public health crisis. We call on you to consider co-sponsoring this bill as an essential financial assistance tool for small-scale family farmers not eligible for American Rescue Plan relief.

Sincerely,

ActionAid USA Advocates for Clean & Clear Waterways Agrarian Trust Agricultural Justice Project Alabama State Association of Cooperatives American Federation of Government Employees American Indian Mothers Inc. American Raw Milk Producers Pricing Association American Sustainable Business Council Blossom Foundation for Children & the Environment Campaign for Family Farms and the Environment Carolina Common Enterprise Carolina Farm Stewardship Association Central Texas Young Farmers Coalition Church Women United in New York State CitySeed Community Alliance for Global Justice Community Alliance with Family Farmers

Community Farm Alliance

Community Food and Justice Coalition

Dakota Resource Council

Dakota Rural Action

Earthjustice

Earth Ethics, Inc.

EcoHealth Network

Fair World Project

Family Farm Action

Family Farm Defenders

Farm Aid

Farm and Ranch Freedom Alliance

Farmer Veteran Coalition

Farmers Union Milk Cooperative

Farmworker Association of Florida

Federation of Southern Cooperatives

Food Animal Concerns Trust (FACT)

Food & Water Action

Food for Maine's Future

Food in Neighborhoods Community Coalition

Friends of Family Farmers

Friends of the Earth

Fund for Democratic Communities

GoFarm

GMO/Toxin Free USA

Grassroots International

Greenhorns

Green State Solutions

Grow Appalachia

Harpeth Conservancy

Illinois Stewardship Alliance

Intertribal Agriculture Council

Institute for Agriculture and Trade Policy

Institute for Food and Development Policy (Food First)

Iowa Citizens for Community Improvement

Iowa Farmers Union

Lake Erie Waterkeeper

Land For Good

League of Conservation Voters

Missouri Rural Crisis Center

National Family Farm Coalition

National Farm to School Network

National Farmers Organization

National Sustainable Agriculture Coalition

National Young Farmers Coalition

Natural Resources Defense Council

North Carolina Association of Black Lawyers Land Loss Prevention Project

Northwest Harvest

Northern Plains Resource Council

Northeast Organic Farming Association Interstate Council

Northeast Organic Farming Association of Massachusetts

Northeast Organic Farming Association of New Hampshire

Northeast Organic Farming Association of New Jersey

Northeast Organic Farming Association of New York

Northeast Organic Farming Association of Rhode Island

Northeast Organic Farming Association of Vermont

Northeast Sustainable Agriculture Working Group

Northwest Atlantic Marine Alliance

Ohio Farmers Union

Organic Consumers Association

Pennsylvania Council of Churches

People's Action

Peoples Climate Movement-NY

Pesticide Action Network

Pinnacle Prevention

Progressive Agriculture Organization

Real Food Media

Resilience Project

R-CALF USA

Rural Advancement Foundation International – USA (RAFI-USA)

Rural Coalition

Rural Development Leadership Network

Rural Vermont

Sitka Salmon Shares

Southwest Georgia Project for Community Education, Inc.

Sustainable Food Center

Sustainable Iowa Land Trust

Texas Coalition of Rural Landowners

Texas Mexico Border Coalition

WATCH Inc.

Western Organization of Resource Councils

Winston County Self Help Cooperative

Wisconsin Farmers Union

World Farmers Inc.

If you need more information or have questions, please contact:

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